

Revenue Rescue:

Four Unexpected Ways to Improve Profitability in Your Health System

The Business Case for Clinical Communications and Collaboration

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Introduction

A collective gasp could be heard throughout the healthcare industry when the Harvard Business Review revealed that some of the nation's most prestigious hospitals had reported millions in declines and net losses to their FY2016 operating margins.¹ Among them, MD Anderson Cancer Center lost \$266 million and the Cleveland Clinic suffered a 71 percent decline in operating income.

The problem wasn't shrinking revenue, according to a Forbes analysis.² Rather, a legacy of inefficient care delivery and redundant equipment is draining their bottom lines. The estimated waste in U.S. healthcare spending now sits at a staggering \$1 trillion.³

A strategy of mergers and acquisitions kept profitability high for a while. But faced with rising expenses and flattening payments, hospital leaders are beginning to recognize they have no choice but to focus on cutting costs.

Large-scale efforts are underway now that may eventually help turn the tide, including value-based payment initiatives and population health management. In the meantime, research suggests that there is an easier way to achieve more immediate productivity and cost-cutting benefits: improved clinical communication.

U.S. hospitals waste more than \$12 billion annually as a result of inefficient clinical communication—with the typical 500-bed hospital alone losing more than \$4 million.⁴ Communication errors were also directly responsible for \$1.7 billion in malpractice costs over a five-year period, as well as nearly 2,000 patient deaths.⁵

Streamlined clinical communication can dramatically change those statistics. The following are four ways you can preserve profitability in your health system with improved communication.

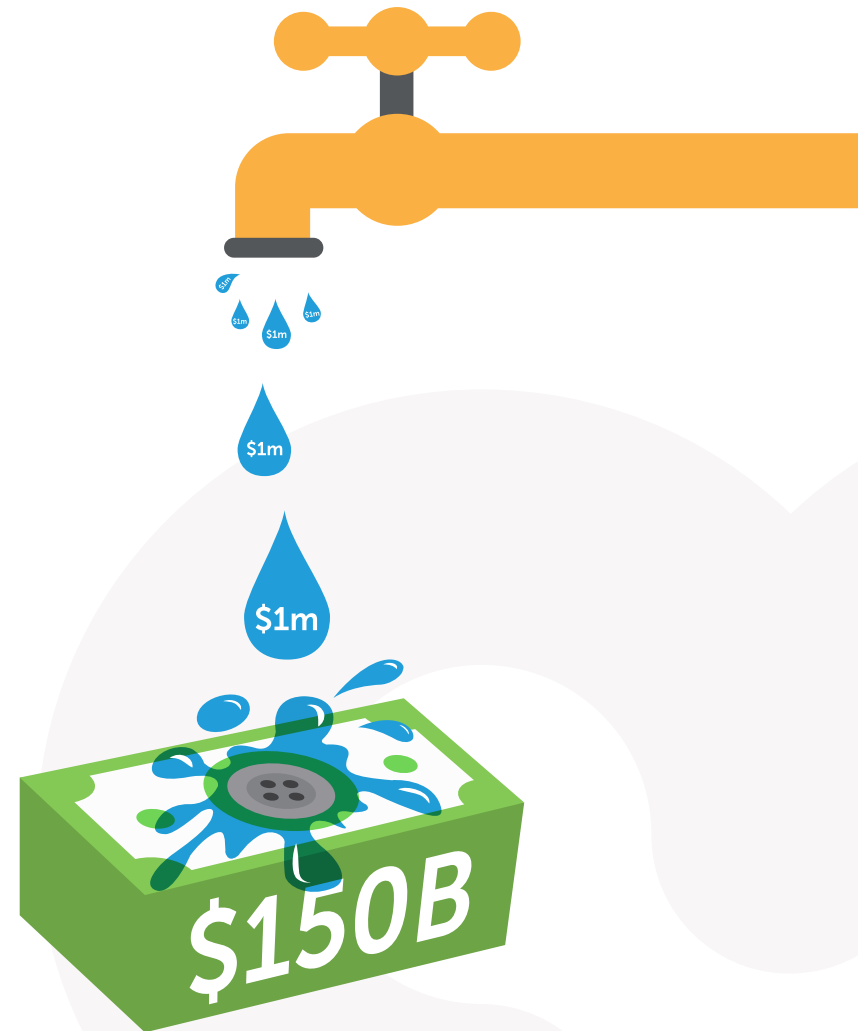
1. <https://hbr.org/2017/10/how-u-s-hospitals-and-health-systems-can-reverse-their-sliding-financial-performance>
2. <https://www.forbes.com/sites/robertpearl/2017/11/07/hospitals-losing-millions/#51c2c7b87b50>
3. <https://hbr.org/2015/10/how-the-u-s-can-reduce-waste-in-health-care-spending-by-1-trillion>

4. <https://www.ncbi.nlm.nih.gov/pubmed/20812527>
5. <https://www.statnews.com/2016/02/01/communication-failures-malpractice-study/>

1 Reduce Referral Leakage

Millions of U.S. patients are referred for specialized services each year, but as many as 45 percent will never make it to the referred-to clinic or hospital.⁶

At a time when health systems are focusing on big-ticket cuts, a few missed appointments may not seem like much to get excited about. But, the cumulative effect to the bottom line can be staggering: Health systems lose 55 to 65 percent of revenue as a result of referral leakage, or a collective \$150 billion a year. Calculated on a per-provider basis, health systems are estimated to be losing nearly \$1 million per year, per affiliated physician.⁷



6. https://getreferralmd.com/2014/03/patient_referral_leakage/

7. <https://getreferralmd.com/2016/08/30-healthcare-statistics-keep-hospital-executives-night/>

1 Reduce Referral Leakage

Where are those referrals going? Certainly, symptoms sometimes clear up and patients decide on their own that they don't need further treatment. The majority, however, will slip through the system as a result of some degree of poor communication. It's estimated that half of referring and specialist physicians do not communicate with each other at all, and 25 to 50 percent of referring providers never circle back to find out if their patients actually saw the specialist.⁸

That puts the patient in the precarious position of coordinating his own care. If he's not clear exactly why a specialist visit is necessary, or if he has difficulty scheduling an appointment with a specialist who is not expecting his call, or if he has a frustrating experience because the specialist has not been updated on his condition, he'll self-refer out of network or even ignore the referral altogether.



8. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3160594/>

1 Reduce Referral Leakage

An effective referral communication plan can increase follow-through and keep patients in-network.

Here's what we recommend:

Prioritize Patient Education - Don't let a patient leave the hospital or physician's office without understanding why he's being referred to a specialist. This is not a place where you want your providers to save time. Adjust discharge procedures to prompt providers to confirm that nothing has been lost in translation for the patient.

Make the Connection - The previous statistics show that it's clearly not enough to hand a patient a phone number and send him on his way. Schedule the appointment for him, or at the very least, contact the specialist and ensure she's expecting your patient's call. Provide the patient's phone number so the specialist's office staff can reach out if they haven't heard from the patient within a day or two.

Track and Follow Up - Research studies⁹ revealed another alarming trend in this area: After a referral was made, physicians were often unclear about who would be responsible for which aspects of the patient's continuing care. A well-defined process for tracking and following up on referrals will prevent patients from getting lost in the system.

Provide the Right Tools - Today's most advanced clinical communication technology makes it exceedingly simple for physicians to connect with each other directly over a secure texting platform. Extensive built-in directories enable clinicians to find colleagues by name or by role. Sending a quick text message to a specialist in the presence of the patient not only provides pertinent information for the consult, but it also serves to communicate clearly to the patient that this appointment should be a priority.

9. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3160594/>

Case Study:

Improving Consult Collaboration at Mary Washington Healthcare



Collaboration and requests for consults were historically coordinated through office staff and unit clerks for the 800-plus physicians at Mary Washington Healthcare in Virginia. The clerks in this lengthy process would do the work of looking up a specialist, calling the office or paging the specialist, and communicating the name of the patient.

"Oftentimes what was missing was a clinical context to let the consulting physician determine the urgency and specifically the question that was being asked of him or her," notes Dr. David Yi, Chief Medical Information Officer for Mary Washington Healthcare.

The introduction of the TigerConnect secure texting platform has put the communication workflow back in the hands of the physicians, improving the quality and outcomes of referrals and consults.

"That's a really positive step," Dr. Yi adds, "because consultations and the information that needs to pass back and forth between the requesting and consulting physician really is best done directly."

As a urologist and Chief of Surgery, Dr. Peter Carey appreciates the level of patient detail he can receive from internists via secure text to inform his referred consults.

"TigerConnect has vastly improved physician-to-physician communication," he says. "Improved patient care is the byproduct of improved communication."

"TigerConnect has vastly improved physician-to-physician communication"

2 Provide **Faster Care**

It doesn't take a research study to prove that direct communication leads to faster patient care. On the flip side, however, you may be surprised by some of the unexpected ways poor communication is draining your health system's bottom line.

Discharge Delays - We advise clients to conduct a review of how often a patient's length of stay is influenced by commonly cited issues such as missing test results, delayed physicians' orders, or failures of outdated pager technology. The length of the average hospital stay has been gradually increasing in recent years, and at a cost of \$1,800 to \$2,300 per patient, per day, that's no small expense.¹⁰

Duplicate Test Orders - You're already aware of the direct costs associated with test duplication. In radiology alone, studies show that 20 percent of imaging tests are duplicates, wasting as much as \$20 billion per year.¹¹



10. <https://www.beckershospitalreview.com/quality/top-5-inefficiencies-in-hospital-operations.html>

11. <https://www.unh.edu/healthyunh/blog/healthcare-consumerism/2015/05/doing-away-duplicate-testing-can-cut-healthcare-costs>

2 Provide **Faster Care**

The effects become exponentially more expensive, however, when you consider care delays caused by waiting for those results, as well as the patient leakage caused by dissatisfied consumers. A unified clinical communication platform unites care teams, keeping all clinicians updated on orders and results, so there's never a need to redo a test. Critical results can also be routed through the platform to provide instant access for all members of a patient's care team. Time will never again be wasted on searching for missing test results.

Errors and Malpractice Claims - In evaluating sentinel events related to delays in treatment, The Joint Commission cited communication failures as a leading root cause.¹² And, again, communication errors were directly tied to \$1.7 billion in malpractice claims.

A Pennsylvania hospital was recently cited for several care delays, two of which contributed to patient deaths.¹³ In one example, a three-hour delay in calling the rapid-response team for a septic shock case resulted in brain death for a pediatric patient. In another case, a nurse documented a need to initiate a "brain attack protocol" on a patient suspected of having a stroke. More than two hours later, she was still "awaiting further orders."

Streamlined clinical communication technology closes these glaring gaps by making it extremely easy to find and message the correct provider or care team—and just as easy for those providers to respond immediately.



12. https://www.jointcommission.org/assets/1/23/Quick_Safety_Issue_Nine_Jan_2015_FINAL.pdf

13. <https://www.beckershospitalreview.com/quality/hershey-medical-center-cited-for-care-delays-that-contributed-to-2-patient-deaths.html>

Case Study: Diminishing Care Delays at Westchester Medical Center



An inefficient patient-transfer process was plaguing Westchester Medical Center, an eight-campus health system headquartered in Valhalla, New York.

Nearly 10,000 times a year, patient transfers were conducted by leaving a message with an internal call center, which would then relay the message to the various receiving physicians and facilities. The multistep process led to care delays that dissatisfied physicians and patients. The delays were compounded during shift changes, when it became unclear which specialist was on call to receive the patient.

Deployment of the TigerConnect mobile clinical communication platform eliminated the relay system, enabling one-to-one text messaging between providers for a direct patient handoff. The Roles feature also removed the uncertainty during shift changes by allowing clinicians to contact the on-call specialist by role if they didn't know whom to contact by name.

Within just a few months, transport time between facilities was reduced by an average of 13.3 minutes per patient, with one hospital demonstrating a reduction of 34 minutes per patient. Across 10,000 patients a year, that time savings translates to faster, more efficient delivery of life-saving care.

13.3
Minute
Reduction

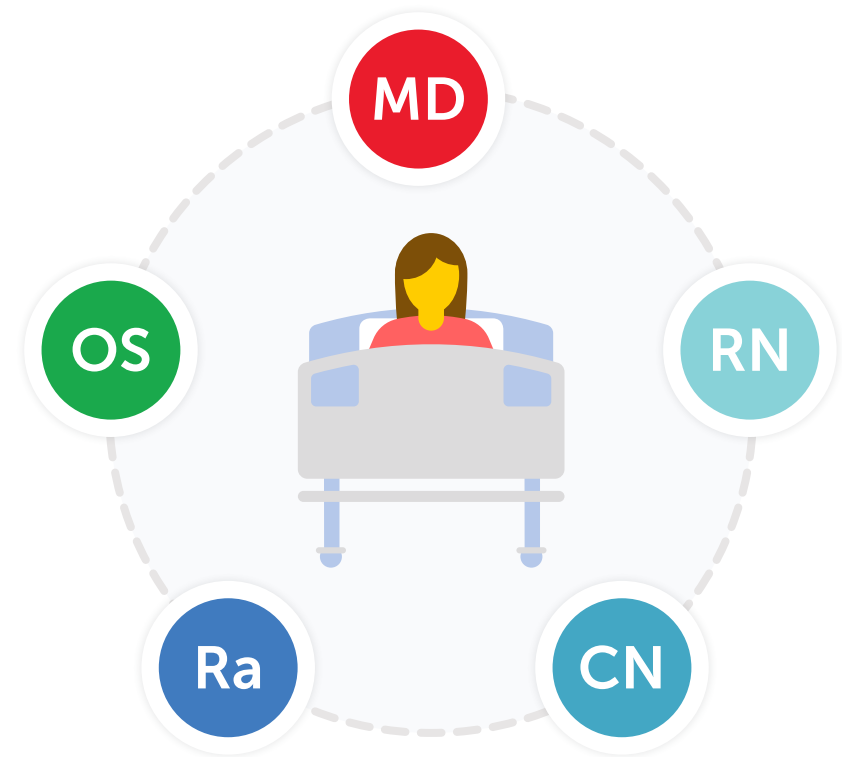


3 Reduce Readmissions

From infection-reduction protocols to bundled payment plans, the healthcare industry as a whole is implementing ambitious programs to fight expensive patient readmissions. However, there are also numerous incremental ways that improved clinical communication can cut readmission rates. Collectively, they represent an enormous financial impact.

Automated Alerts - Electronic notifications can be set to alert clinicians automatically when events occur that have the potential to result in a readmission. For example, a nurse navigator who receives an alert when her patient presents at the Emergency Department can place a quick call to the ED staff to determine if a medication adjustment can keep that patient out of the hospital.

Care Team Collaboration - With as many as 26 percent of patients reporting that they receive conflicting information from their various doctors,¹⁴ care team communication takes on new significance in the context of readmissions. Patients cannot adhere to their post-discharge instructions if it's not clear what those are. A unified clinical communication platform connects care teams so that everyone involved in a patient's care is updated and current on all treatments and recommendations. This is the only way to speak to a patient with one voice.

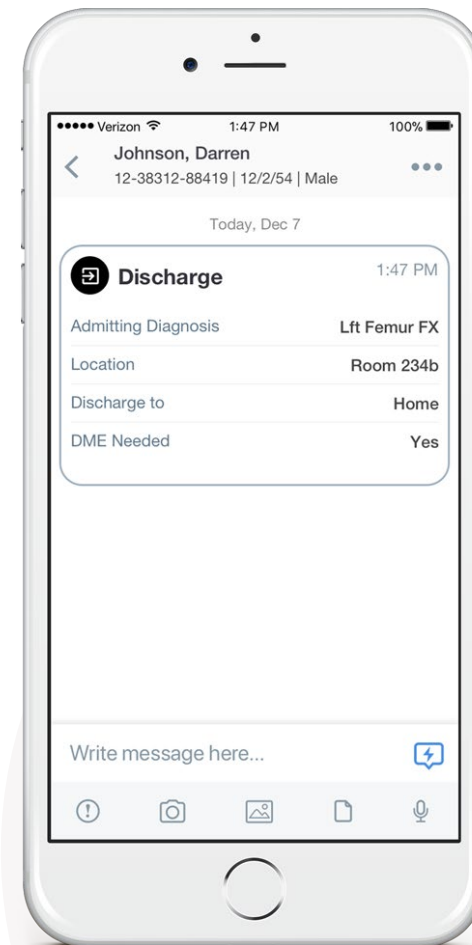


14. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3160594/>

3 Reduce Readmissions

Patient Monitoring - Remote patient monitoring can be as elaborate as tracking smartphone-generated EKG results or as simple as sending text reminders regarding essential follow-up care. Text messaging was shown to double the odds of medication adherence for middle-aged patients with chronic disease.¹⁵ Those small interventions enable providers to catch emerging issues before they escalate to hospitalization.

Successful Discharge Transitions - It's not always clear which physician is responsible for post-discharge follow up. Is it the primary care physician, who may or may not have been notified that his patient was hospitalized? Or, is it the cardiologist the patient was referred to by the hospitalist who discharged him? The physicians don't always know, either.¹⁶ A communication platform connects providers for direct collaboration, so it will be extremely clear who is responsible for overseeing the patient's next steps. Images and test results can also be securely forwarded from one provider to the next.



15. <https://www.medscape.org/viewarticle/859345>

16. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3160594/>

Case Study: Reducing Readmissions at Kennedy Health



In 2013, New Jersey-based Kennedy Health made a remarkable discovery: Within one six-month period, just 21 patients accounted for 903 visits to its ED.

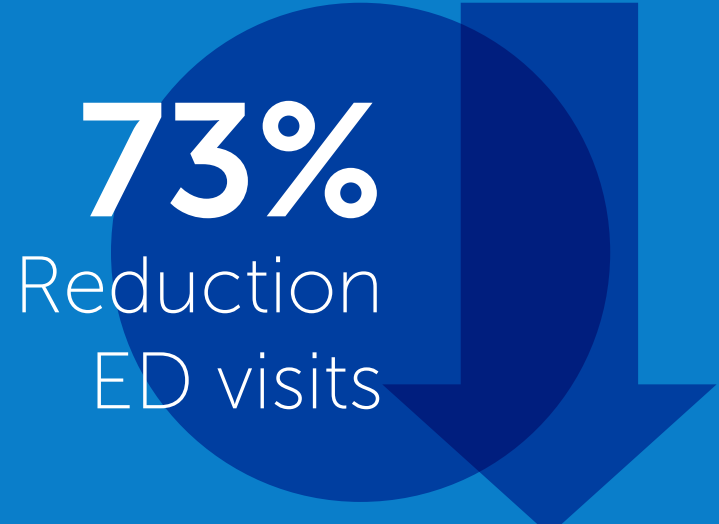
“We were having difficulty getting a handle on [the super-utilizer] population of patients, because often the accepting floor team didn’t know about the patient until the emergency room had already evaluated them and made the decision to bring them in the hospital,” says Dr. Maryann Lauletta, Vice President of Medical Operations.

Through the TigerConnect clinical communication platform, a readmission alert system was enabled to notify key providers and care managers when a returning patient presented at the ED. Care team members familiar with the patient were able to meet him in the ED to see if his care could be managed without a readmission to the hospital.

In the first three months of the program, Kennedy Health saw an 8.8 percent reduction in readmission rates for COPD and a 22.2 percent reduction for CHF patient. ED visits among those 21 super-utilizers also dropped 73 percent.

The results represent a win for everyone, says Mike Neuman, Assistant Vice President of Business Intelligence and Analytics.

“We’re keeping them out of the hospital, reducing our cost, and providing a much better experience for the patient,” he says.



73%
Reduction
ED visits


4 Optimize Integrations

In closing the communication gaps between providers, health systems sometimes overlook the gaps between IT systems. When integrated into key IT systems, a clinical communication platform forms a bridge of interoperability, facilitating the efficiency improvements that reduce referral leakage, readmissions, and care delays.

When implementing system-wide clinical communication, consider the following essential integrations:

Electronic Health Record - Providers can receive critical alerts from the EHR directly on their mobile devices, including Admit, Discharge, and Transfer (ADT) Alerts.

Scheduling - Role-based scheduling automation allows everyone in the health system to quickly look up and contact on-call staff and specialists. Considerable time is saved that was once spent routing calls through an operator. Consults are easier, and care is delivered faster and more efficiently.

 **Admit**
8:14 AM


Date
Dec 5, 8:14 AM

Location
RM 203

Admitting Physicians
Hospitalist (Role)

Admitting Diagnosis
S/P MVA

Add Care Team Members

 **Critical Lab Result:**
9:41 AM

Patient
Johnson, Darren

NRIC
12-38312-88419

Lab
Biochemistry Calcium

Result
CA 3.25 mmol/L

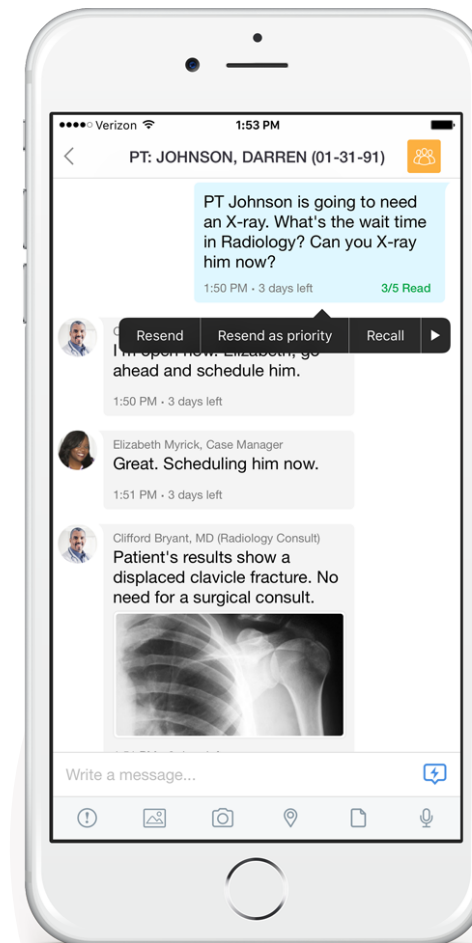
Accept
Decline

4 Optimize Integrations

Nurse Call Systems - Alerts can be automatically routed to a nurse's smartphone or workstation, cutting down on alarm fatigue and improving efficiency. The old audible alarm system can also be replaced with a system that provides more detailed information about urgent requests so that nurses can quickly deliver the most appropriate care.

Imaging and Lab Results - Critical images and results can be viewed instantly from a smartphone or PC. Wait times and duplicate tests are significantly reduced.

Paging and Answering Services - Outdated pager technology is costing U.S. health systems \$8.3 billion annually by decreasing provider productivity and increasing patient discharge time.¹⁷ Secure text messaging is not only more reliable, it's also more efficient. Pager alerts can be redirected to a provider's smartphone. Answering service operators can relay detailed messages via secure text instead of waiting for call-backs to provide the essential patient information. Together, the improved reliability of message delivery and the faster transmission of important information is streamlining patient care.



17. <https://www.healthcare-informatics.com/news-item/study-pagers-outdated-communication-tech-costing-hospitals>

Case Study: EHR Integration at **Waterbury Hospital**



After successfully implementing TigerConnect secure texting, Connecticut-based Waterbury Hospital identified a simple integration that would make an extraordinary impact. They needed a way to notify physicians of important clinical information when they were not logged into the Electronic Health Record.

Integration with the hospital's Cerner EHR system enabled a series of automatic notifications that routed critical information to physicians' smartphones, such as consult orders, stat lab results and patient admission alerts.

Before the integration, these critical notifications would have languished in a physician's inbox. After the integration, the resulting efficiencies shaved as much as 18 hours off the time it took to complete a consult and nearly two days off patients' length of stay, which equates to more than \$2,200 per patient.

An added benefit, user adoption of the communication platform also spiked after the EHR integration. Waterbury found that as more information became accessible on the TigerConnect platform, the more physicians wanted to use it, which further increased productivity and care efficiency.

"There are very few technologies that are available to physicians that actually work for them," notes Don MacMillan, former Assistant Director of IT and HIPAA Security Officer for Waterbury Hospital. "(TigerConnect's) streamlined their workflow, it's made their lives easier, and it just works."

18 Hours

Consult Reduction



About TigerConnect

As healthcare's largest provider of clinical communication solutions, TigerConnect helps physicians, nurses, and other staff communicate and collaborate more effectively, accelerating productivity, reducing costs, and improving patient outcomes. With 6,000 facilities, 99.99% uptime, and over 10 million messages processed each day, TigerConnect continually delivers advanced product innovations and integrates with critical hospital systems such as the EHR, nurse call, and scheduling solutions.

The company's commitment to client success is reflected in its broad support organization that works directly with clients at every stage to streamline communication workflows and achieve the highest possible ROI.

For more information, visit www.tigerconnect.com to learn how clients like RWJBarnabas, Geisinger, and LifePoint are using TigerConnect to solve healthcare's biggest communication challenges.

Visit:
www.tigerconnect.com

Call:
800-572-0470